

Amendment No. 3 to HB2372

**Naifeh
Signature of Sponsor**

AMEND Senate Bill No. 2234

House Bill No. 2372*

by deleting the effective date Section of the bill and by substituting instead the following sections:

SECTION 2. This act shall be known and may be cited as "Tennesseans Back to Work Act".

SECTION 3. Tennessee Code Annotated, Title 67, Chapter 4, Part 21, is amended by adding the following as a new, appropriately designated section:

67-4-21__.

(a) As used in this section:

(1) "Employer" means any entity having employees that is a taxpayer under part 20 of this chapter and this part; and

(2) "Unemployed person" means any person who meets any of the following conditions immediately preceding the person's commencement of employment with the employer:

(A) Has been terminated or laid off or who has received a notice of termination or layoff from employment, and is eligible for or has exhausted entitlement to unemployment benefits;

(B) Has been terminated or has received a notice of termination of employment as a result of any permanent closure or any layoff at a plant, facility, or enterprise, including a person who has not received written notification but whose employer has made a public announcement of the closure or layoff;

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(C) Is long-term unemployed and has limited opportunities for employment or reemployment in the same or a similar occupation in the area in which the person resides;

(D) Was self-employed and is unemployed as a result of general economic conditions in the community in which the person resides or because of a flood or other natural disaster; or

(E) Experiences chronic seasonal unemployment and underemployment in the agriculture industry.

(b) There shall be allowed, for any employer, a credit against the sum total of the taxes imposed by this part, and by the Excise Tax Law of 1999, compiled in part 20 of this chapter, in an amount equal to thirty percent (30%) of the gross wages paid to each unemployed person hired on or after the effective date of this act; provided, the gross wages are paid at the rate of fourteen dollars (\$14.00) per hour or above. The amount of the credit is twenty-five percent (25%) for wage rates between twelve dollars (\$12.00) and fourteen dollars (\$14.00) per hour, and twenty percent (20%) for wage rates between ten dollars (\$10.00) and twelve dollars (\$12.00) per hour.

(c) In order for any employer to become entitled to the credit under this section, the employer shall:

(1) Provide the employment for at least twelve (12) consecutive months following the unemployed person's hire date;

(2) Employ the unemployed person no less than thirty-seven and one-half (37.5) hours per week; and

(3) Pay a wage rate of at least ten dollars (\$10.00) per hour for each job.

(d) The credit may be used to offset up to one hundred percent (100%) of the employer's franchise and excise tax liability in only one (1) tax year, and may be used only one (1) time per unemployed person; provided, that it may be allowed in the tax year in which the credit originated or, if unused in the initial tax year, it may be carried forward in any subsequent tax year for a period of up to ten (10) years.

(e) The commissioner of revenue is authorized to promulgate rules to effectuate the purposes of this section. All such rules shall be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 4. For purposes of promulgating rules and regulations, this act shall take effect upon becoming law, the public welfare requiring it. For all other purposes, this act shall take effect July 1, 2012, the public welfare requiring it, and shall apply to tax years beginning on or after that date.